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Talking Points for the ADDI 9 June 1986

ARAB REACTION TO US RAID ON LIBYA, DISPOSITION OF SAUDI ARMS SALES

US Raid on Libya

Arab media were initially outspoken in their condemnation of the US attack, but in general, Arab reaction was mild:

- -- Many Arabs feared that the US raid would be a forerunner of similiar Israeli tactics, especially in light of growing Syrian-Israeli tensions;
- -- Others feared that a spiraling pattern of terrorism and military retaliation would be set in motion, leading to even greater levels of regional instability.

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Libya's isolation from other Arabs was underscored by the absence of meaningful support

and by Tripoli's inability to bring

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about a special Arab Leaque summit to discuss the US attack.

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-- The incident gave <u>moderate Arabs</u> the opportunity to warn Qadhafi that his aid to Iran was costing him Arab support and to drive the point home by denying him the anti-US measures he wanted.

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Already uneasy over tensions with Israel, Syrian President
Assad appeared disconcerted by the US action and began
maneuvering to project a greater image of moderation. He has
warmed his relations with Jordan and hinted that he would try to
mediate a release of the Western hostages.

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The Saudi Arms Deal

The Arab press has given extensive coverage to the US handling of the recent Saudi missile package, but official government comments have been minimal and restrained so far.

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The Arab press protested that:	
An anti-Arab influence that makes no distinction between friendly and extremist Arabs is dominating the US political debate over how to combat terrorism;	
The Saudi case and Jordan's recent failure to secure US arms demonstrate Washington's unreliability as an ally, even to those who have most closely identified themselves with US interests in the Middle East.	25X1
Saudi officials are likely to continue deemphasizing the arms sale issue publicly, fearing their comments might jeopardize the more important decision over release of the AWACS systems.	
Continued embarrassing and troublesome public debate over Saudi Arabia's value as a US ally, coinciding with Saudi efforts to economize in military procurement, is likely to turn Riyadh even more decisively to West European and other arms markets.	25X1
Other moderates, many of whom have their own arms deals pending in the US, will probably adopt a wait-and-see posture.	
Jordan is diversifying its arms suppliers and recently expanded its inventories of Soviet air defense equipment.	
Egypt's Mubarak is probably somewhat more confident about his country's arms arrangements with the US, believing they are more secure because they are closely tied to Israel's.	25 X 1
Over the longer term, despite the passage of the pared-down Saudi arms package, the US will probably find itself in an incresingly competitive arms market in the Arab world.	
The denial by the US of what the moderates regard as their legitimate defense needs will also strengthen Arab efforts to expand their military industrial capabilities.	25X1

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Talking Points for ADDI

SUBJECT: Arab Reaction to US Raid on Libya, Disposition of Saudi Arms Sales

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